

Chapter 4.120**CAMPAIGN CONTRIBUTION LIMITATIONS****Sections:**

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4.120.010 Purpose.

It is the intent of the City Council in enacting this chapter to place realistic and enforceable limits on the amount persons may contribute to political campaigns in municipal elections. The purpose of these limits is to prevent the exercise by campaign contributors of potential undue or improper influence over elected officials and to inform the public of the sources and objects of campaign contributions and expenditures. Further, the City Council finds that the provisions of this chapter are necessary to prevent the actuality or appearance of corruption in the election process.

(Ord. No. 1887, Enacted, 12/02/93)

4.120.020 Definitions.

For the purposes of this chapter:

- A. "Contribution" shall mean a payment, loans and extensions of credit (other than those made by financial institutions), a payment of a loan from a financial institution by a third party, or an enforceable promise to make a payment, except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes. An expenditure made at the behest of a candidate, committee, or elected officer is a contribution to the candidate, committee, or elected officer, unless full and adequate consideration is received for making the expenditure.

The term "contribution" shall include the purchase of tickets for events such as dinners, luncheons, rallies and similar fundraising events; the granting of discounts or rebates not extended to the public generally or the granting of discounts and rebates by television and radio stations and newspapers not extended on an equal basis to all candidates for the same office; a non-candidate acting as a guarantor for a loan to a candidate or controlled committee and the payment of compensation by any person for the personal services or expenses of any other person if such services are rendered or expenses incurred on behalf of a candidate or committee without the payment of full and adequate consideration.

The term "contribution" shall further include any transfer of anything of value received by a committee or controlled committee from another committee or controlled committee. The term "contribution" shall not include amounts received pursuant to an enforceable promise to the extent such amounts have been previously reported as contribution. However, the fact that such amounts have been received shall be indicated in the appropriate campaign statement.

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Notwithstanding the foregoing definition of "contribution," the term shall not include volunteer personal services or payments made by any individual for his own travel expenses if such payments are made voluntarily without any understanding or agreement that they shall be directly or indirectly paid to him. The term "contribution" shall not include any expense incurred in holding a campaign related event in a private residence.

- B. "Committee" means any person or combination of persons who directly or indirectly does any of the following:
1. Receives contributions totaling one thousand dollars (\$1,000.00) or more in a calendar year.
 2. Makes independent expenditures totaling one thousand dollars (\$1,000.00) or more in a calendar year.
 3. Makes contributions totaling ten thousand dollars (\$10,000.00) or more in a calendar year to or at the behest of candidates, committees or controlled committees.
- C. "Controlled committee" means a committee which is controlled directly or indirectly by a candidate or which acts jointly with a candidate in connection with the making of the expenditures. A candidate controls a committee if he, his agent or any other committee he controls has a significant influence on the actions or decisions of the committee.
- D. "Election" means the elective process required to be elected to public office, including general, special and runoff elections.
- E. "Expenditure" means a payment, a forgiveness of a loan, a payment of a loan by a third party or an enforceable promise to make a payment, unless it is clear from the surrounding circumstances that it is not made for political purposes.
- F. "Independent expenditure" means an expenditure made by any person in connection with a communication which expressly advocates the election or defeat of a clearly identified candidate or the qualification, passage or defeat of a clearly identified measure, or taken as a whole and in context, unambiguously urges a particular result in an election, but which is not made to or at the behest of the affected candidate or controlled committees.
- G. "Person" shall mean an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, association, or committee.
- H. "Election" or "election cycle" shall refer to or mean the period of time from the completion of the election of a particular office to the next election to the same office (two (2) years).
- I. For purposes of this chapter, unless the contrary is stated or clearly appears from the context, the definitions set forth in Chapter 2 of Title 9 of the California Government Code (starting at Section 82000) shall govern.

(Ord. No. 1887, Enacted, 12/02/93, as amended by § 2, Ord. 1956, eff. October 31, 1996)

4.120.030 Contribution limitations.

- A. No person, other than a candidate, shall contribute more than two hundred fifty dollars (\$250.00) in total contributions during an election cycle. Contributions to controlled committees are to be considered as contributions to a candidate.
- B. **Anonymous Contributions.** Anonymous contributions to candidates, committees or controlled committees shall be prohibited.
- C. A candidate for City office shall have no more than one controlled committee and one checking account for the city office being sought, out of which all expenditures for the office shall be made. This section shall not prohibit the establishment of savings accounts, but no qualified campaign expenditures shall be made out of these accounts.

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- D. **Contributions Made on Behalf of Another.** No person shall make a contribution on behalf of another or while acting as the intermediary or agent of another, without disclosing to the recipient of the contribution both the person's, intermediary's or agent's own full name and street address, occupation, and the name of the employer of person, intermediary or agent, if any, or the person's, intermediary's or agent's principal place of business if the person, intermediary or agent is self-employed. The recipient of the contribution shall also be made aware of the full name and street address and occupation and the name of the employer, if any, or principal place of business, if self-employed, of the actual contributor.
- E. **Assumed Name Contributions.** No contributions shall be made, directly or indirectly, by any person or combination of persons acting jointly in a name other than the name by which they are identified for legal purposes, nor in the name of another person or combination of persons. No persons shall make a contribution in their name of anything belonging to another person or received from another person on the condition that it is to be used as a contribution.
- F. **Fund-Raising Events.** In the event a candidate, committee or controlled committee desires to have a campaign fund-raising event of any kind connected with a campaign for public office, then in that connection the candidate, committee or controlled committee shall file a statement with the City Clerk, or a duly authorized representative of the City Clerk's office, showing the gross income from such event, and the costs of the event shall be deducted from the gross receipts. For candidates and controlled committees, the net figure shall apply to the sums defined in subsection A of this section.
- G. **Loans.** All loans, solely for the purposes of political campaigning, except loans from financial institutions and loans from a candidate's personal fund to his or her campaign, shall be subject to the same restrictions as defined in subsection A of this section.
- H. **Promptly,** following receipt of excess contributions over the limits set forth in subsections A, B and E of this section, said excess contributions shall be either returned to the contributor, if feasible, or paid by the candidate or controlled committee to a charity or charities not affiliated in any way with religious organizations.

(Ord. No. 1887, Enacted, 12/02/93, as amended by §§ 3, 4, 5, Ord. 1956, eff. October 31, 1996)

4.120.040 Campaign expenditures uncontrolled by candidates or committees.

Persons, organizations and committees not subject to the control of a candidate but who make expenditures for or against a candidate shall indicate clearly on any material published, displayed, or broadcast that it was not authorized by a candidate when such expenditures in whole or in part would have been covered by the provisions of this chapter if they were subject to the control of a candidate. Such persons, organizations and committees shall comply with all the filing requirements imposed on candidates and committees by this chapter.

(Ord. No. 1887, Enacted, 12/02/93)

4.120.045 Disclosure.

Each candidate shall submit records of all contributions received identifying the name of each contributor and the amount of their contribution, regardless of amount, to the City Clerk on a form or forms to be designated by the City Clerk. A candidate shall be responsible for notifying all contributors that their identity shall be reported.

(§ 6, Ord. 1956, eff. October 31, 1996)

4.120.050 Filing deadlines.

- A. **Campaign Bank Account.** The notice and filing requirements of Government Code Section 81000 et seq. regarding the campaign bank account shall be made to the City Clerk, or a duly authorized

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representative of the City Clerk's office, of the City at the same time and in the same manner as reporting is made to the Fair Political Practices Commission for the State of California.

B. **Committee and Controlled Committee Registration.** Every committee and controlled committee involved in a municipal election which is required to file campaign reports shall also file with the City Clerk, or a duly authorized representative of the City Clerk's office, in the same form, content and procedure as set forth in Government Code Section 81000 et seq.

C. All campaign contribution reports shall be subject to audit by the City Clerk, or a duly authorized representative of the City Clerk's office. It shall be the duty of every candidate to keep records of campaign finances including but not limited to records of each contribution received and the identity of the contributor. Failure to keep such records or allow the City Clerk or his or her duly authorized representative access to such records shall be deemed a violation of this chapter.

(Ord. No. 1887, Enacted, 12/02/93, as amended by § 7, Ord. 1956, eff. October 31, 1996)

4.120.060 Violation—Enforcement and penalty.

Any violation of this chapter shall be punishable as a misdemeanor. The City Attorney shall not serve as investigator or prosecutor of offenses under this chapter but shall designate an outside agency or agencies to investigate and/or prosecute such violations. Any duly authorized prosecutorial agency, such as the Los Angeles County District Attorney or the City Prosecutor of another city may be appointed to prosecute violations hereunder and shall exercise independent prosecutorial judgment in so doing.

(Ord. No. 1887, Enacted, 12/02/93, as amended by § 8, Ord. 1956, eff. October 31, 1996)

4.120.070 Civil actions.

The court may award to a plaintiff or defendant who prevails in any action brought under this chapter the costs of litigation, including reasonable attorney's fees.

(Ord. No. 1887, Enacted, 12/02/93)

4.120.080 Severability.

If any provision or portion of this chapter is for any reason held invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the remaining portions of this chapter.

(Ord. No. 1887, Enacted, 12/02/93)